

Index Sheet

Ope Id No: 03534300

School Name: JONES INTERNATIONAL UNIVERSITY

Subfolder: Program Review/FPRD

Doc Type: Expedited Determination Letter (EDL)

Rec Date:

Org Date: 03/13/2013

School Year: 2013

ACN:

PRCN: 201220527855

Box ID: 1461

Unique ID: SC1000000814770





March 13, 2013

Mr. Milton Goldberg
Chancellor
Jones International University
9697 East Mineral Avenue
Centennial, CO 80112-3446

Certified Mail Return Receipt Requested
7012 1640 0000 0215 5329

RE: **Expedited Final Program Review Determination Letter**
OPE ID: 03534300
PRCN: 2012-2-05-27855

Dear Mr. Goldberg:

From March 26, 2012 through March 30, 2012, Herschel D. Wallace III and Sarah Heuerman conducted a review of Jones International University's (JIU) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The purpose of this Final Program Review Determination Letter is to close the program review.

The focus of the review was to determine JIU's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of JIU's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 30 files was identified for review from the 2010-2011 and 2011-2012 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. Appendix A was encrypted and sent separately to the institution via e-mail.

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning JIU's specific practices and procedures must not be

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
School Participation Division – Chicago/Denver
500 W. Madison, Suite 1576, Chicago, IL 60661
StudentAid.gov

construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve JIU of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

The Chicago/Denver School Participation Division has made a Final Program Review Determination concerning the findings that were identified during the program review. Following is a discussion of the findings identified and the resolution of those findings.

Program Findings and Final Program Review Determinations:

Finding 1, Improper Calculation of Subsidized versus Unsubsidized Loan Amounts

Citation: 34 C.F.R. § 682.204(k) states in no case may a Stafford, PLUS, or SLS loan amount exceed the student's estimated cost of attendance for the period of enrollment for which the loan is intended, less; the student's estimated financial assistance for that period, and in the case of a Stafford loan that is eligible for interest benefits, the borrower's expected family contribution for that period.

34 C.F.R. § 682.204(a) states for an undergraduate student who has not successfully completed the first year of a program of undergraduate education, the total amount the student may borrow for any academic year of study under the Stafford Loan Program in combination with the Federal Direct Stafford/Ford Loan Program may not exceed \$3,500.00, for a program of study of at least a full academic year in length.

For a one-year program of study with less than a full academic year remaining, the amount that is the same ratio to \$3,500.00, as the:

$$\frac{\text{Number of semester, trimester, quarter, or clock hours enrolled}}{\text{Number of semester, trimester, quarter, or clock hours in academic year.}}$$

For an undergraduate student who has successfully completed the first year of a program but has not successfully completed the second year of an undergraduate program, the total amount the student may borrow for any academic year of study under the Stafford Loan Program in combination with the Federal Direct Stafford/Ford Loan Program may not exceed \$4,500, for a program whose length is at least a full academic year in length.

For a program of study with less than a full academic year remaining, an amount that is the same ratio to \$4,500, as the:

$$\frac{\text{Number of semester, trimester, quarter or clock hours enrolled}}{\text{Number of semester, trimester, quarter, or clock hours in academic year.}}$$

Noncompliance: For student #15, he was enrolled in his first year of an undergraduate program at JIU. The student's Cost of Attendance totaled \$19,526 and his Estimated Family Contribution (EFC) was \$13,664. Therefore, his need was \$5,862. The student was awarded institutional aid

totaling \$3,240 and had been awarded a subsidized loan from a different institution earlier in the award year, surpassing his need. Therefore, the student was not eligible for additional subsidized loan funds.

Institutional Action Taken to Resolve Noncompliance: JIU was required to re-classify the loan awarded to the student from a subsidized to unsubsidized loan. Documentation of the reclassification was sent to the Department on April 3, 2012.

Final Program Review Determination: JIU has taken the corrective actions necessary to resolve this finding. Therefore, JIU may consider this finding closed, with no further action required.

Finding 2, Inaccurate Disbursement Records

Citation: An institution makes a disbursement of Title IV program funds on the date the institution credits a student's account at the institution or pays a student directly with funds received from the Secretary, a lender under the FFEL program, or with institutional funds used in advance of receiving Title IV program funds. See 34 C.F.R. § 668.164(a)(1). The disbursement date reported by the financial aid office to the Department must be the date of the actual disbursement to the student's account.

An institution must establish and maintain, on a current basis, program records that document its disbursement and delivery of Title IV program funds and financial records that reflect each Title IV program transaction. See 34 C.F.R. § 668.24(b)(2). The records that an institution must maintain include but are not limited to documentation relating to each student's or parent's receipt of Title IV program funds, as described at 34 C.F.R. § 668.24(c)(1)(iv). This documentation includes but is not limited to:

- The date and amount of each disbursement or delivery of grant or loan funds;
- The amount, date and basis of the institution's calculation of any refunds or overpayments due to or on behalf of the student, or the treatment of Title IV funds when a student withdraws;
- The payment of any overpayment or the return of any Title IV program funds to the Title IV program fund, a lender or the Secretary, as appropriate, and;
- Records of student accounts, including each student's institutional charges, cash payments, FSA payments, cash disbursements, refunds, returns and overpayments required for each enrollment period.

There should be one definitive, complete and accurate record of the charges and payments to each student's account.

Noncompliance: Disbursement dates reported by JIU to the Department were not the actual dates of disbursements for four students. The following table lists the date reported by the financial aid office and the date the disbursement actually occurred, if considered late (the date shown on the student's account card):

Student	COD Disbursement Date	Actual Disbursement Date
1	9/17/10	10/4/10
4	12/1/10	12/13/10
4	12/7/10	12/13/10
4	4/8/11	4/13/11
5	8/6/10	8/30/10
5	7/26/11	9/14/10
11	11/3/10	3/16/11
11	7/21/11	8/1/11

JIU's failure to maintain current, complete and accurate student records reflects diminished capability in administering the Title IV programs.

Institutional Action Taken to Resolve Noncompliance: JIU had to develop and implement written procedures to ensure there is one accurate and complete record of each student's account at the institution, and that the disbursement dates for all Federal funds reported to the Department are the actual date of disbursements to student accounts. A copy of the procedures was sent to the Department on May 18, 2012.

Final Program Review Determination: JIU has taken the corrective actions necessary to resolve this finding. Therefore, JIU may consider this finding closed, with no further action required.

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e).

We would like to express our appreciation for the courtesy and cooperation extended during the review. If you have any questions concerning this report, please call Jeremy Early at (312) 730-1484.

Sincerely,

(b)(6)

Douglas Parrott
Division Director

cc: Mr. Timothy Lehmann, Director of Financial Aid
Colorado Commission on Higher Education
North Central Association of Colleges and Schools - CIHE (Higher Education)

Appendix A: Student Sample

2010-2011

Student's Name

Student's SSN (last four
digits only)

(b)(6); (b)(7)(C)

Student's SSN (last four
digits only)

DC

Checklist - PRR / EDL Review	
Responsible Reviewer: Jeremy Early	Delivery Tracking #: 7012 1640 0000 0215 5329
(b)(7)(E)	

edc